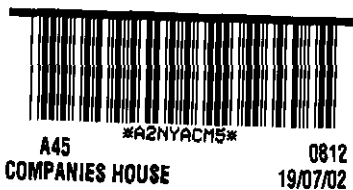


DYNO PLUMBING LIMITED

Report and Accounts

31 December 2001

ERNST & YOUNG



Dyno Plumbing Limited

Registered No. 3360122

DIRECTORS

J F Zockoll (Chairman)
C R Smith
S M Zockoll

SECRETARY

G T Oatham

AUDITORS

Ernst & Young LLP
Rolls House
7 Rolls Buildings
Fetter Lane
London EC4A 1NH

BANKERS

Lloyds TSB Bank Plc
83 Clarence Street
Kingston upon Thames
Surrey KT1 1RE

REGISTERED OFFICE

Zockoll House
143 Maple Road
Surbiton
Surrey KT6 4BJ

Dyno Plumbing Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2001.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £178,986 (2000 - £nil).

The directors do not recommend a final dividend (2000 - £nil). Accordingly the retained loss of £178,986 (2000 - £nil) has been transferred to reserves.

REVIEW OF THE BUSINESS

The company commenced trading in the year. The principal activity of the company is the operation of a plumbing services business.

FUTURE DEVELOPMENTS

The company plans to further develop its core business through a combination of company owned and franchised operations.

DIRECTORS AND THEIR INTERESTS

The directors during the year were as follows:

J F Zockoll
C R Smith
S M Zockoll

There are no directors' interests requiring disclosure under the Companies Act 1985. The interests of J F Zockoll in the shares of the ultimate parent undertaking, The Zockoll Group Limited, are shown in the report and accounts of that company.

AUDITORS

Ernst & Young LLP were appointed by the directors as the auditors during the year. A resolution to reappoint them as auditors will be put to the members at the Annual General Meeting.

By order of the board


Secretary

03 JUL 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS
to the members of Dyno Plumbing Limited

We have audited the company's accounts for the year ended 31 December 2001, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 14. These accounts have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
London

03 JUL 2002

Dyno Plumbing Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2001

	<i>Notes</i>	<i>2001</i> £	<i>2000</i> £
TURNOVER	2	57,673	-
Cost of sales		24,231	-
		<hr/>	<hr/>
Gross profit		33,442	-
Administrative expenses		(297,628)	-
Other operating income		3,200	-
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(260,986)	-
Taxation	6	82,000	-
		<hr/>	<hr/>
LOSS RETAINED FOR THE FINANCIAL YEAR	12	(178,986)	-
		<hr/> <hr/>	<hr/> <hr/>

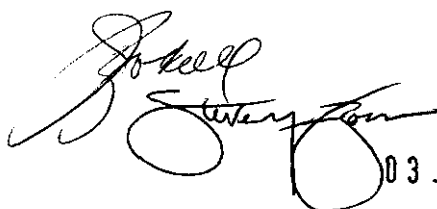
There are no recognised gains or losses other than as shown above.

Dyno Plumbing Limited

BALANCE SHEET

at 31 December 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible assets	7	114,858	-
CURRENT ASSETS			
Debtors	8	36,561	100
Cash at bank and in hand		38,220	-
		74,781	100
CREDITORS: amounts falling due within one year	9	368,525	-
NET CURRENT LIABILITIES		(293,744)	100
		(178,886)	100
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account	12	(178,986)	-
SHAREHOLDERS' FUNDS	12	(178,886)	100



Director

03 JUL 2002

NOTES TO THE ACCOUNTS

at 31 December 2001

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Fundamental accounting concept

The accounts are prepared on a going concern basis following an undertaking by the parent company to continue to provide adequate funds to the company, notwithstanding the deficiency of net assets at 31 December 2001.

Statement of cash flows

The company has taken advantage of the exemption from the requirement to prepare a statement of cash flows conferred by FRS1 (Revised 1996) on the grounds that at least 90% of the voting rights of the company are controlled within the group and consolidated accounts which include the company are publicly available.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its estimated useful life as follows:

Fixtures, fittings, tools and equipment	-	over 3 to 10 years
Motor vehicles	-	over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and hire purchase commitments

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Pensions

The company operates a defined contribution pension scheme, the assets of which are held in a separately administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

Turnover represents the total invoiced amount of plumbing services provided to customers, excluding value added tax. Turnover and pre-tax result arise from this one class of continuing business and wholly within the British Isles.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	2001	2000
	£	£
Operating lease rentals – plant and machinery	9,806	-
Auditors' remuneration	1,500	-
Depreciation of owned tangible fixed assets	11,856	-
	=====	=====

Dyno Plumbing Limited

NOTES TO THE ACCOUNTS

at 31 December 2001

4. DIRECTORS' REMUNERATION

The chairman and directors of the company received no remuneration from the company (2000 - £nil). The emoluments of directors who are also directors of a parent undertaking within the group are disclosed in the accounts of the relevant parent company. It is not possible to identify separately their emoluments relating to their services as directors of Dyno Plumbing Limited.

5. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	96,574	-
Social security costs	10,574	-
Other pension costs	572	-
	<u>107,720</u>	<u>-</u>

The average monthly number of employees during the year was as follows:

	2001	2000
	No.	No.
Administration	2	-
Service	2	-
	<u>4</u>	<u>-</u>

6. TAXATION

Based on the result for the year

	2001	2000
	No.	No.
Corporation Tax	82,000	-
	<u>82,000</u>	<u>-</u>

Group companies make current year tax losses available to other group companies for payment equivalent to the associated tax relief.

Dyno Plumbing Limited

NOTES TO THE ACCOUNTS at 31 December 2001

7. TANGIBLE FIXED ASSETS

	<i>Fixtures and fittings</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Total</i>
	£	£	£	£
Cost or valuation:				
At 1 January 2001	-	-	-	-
Additions	19,789	100,759	6,166	126,714
At 31 December 2001	19,789	100,759	6,166	126,714
Depreciation:				
At 1 January 2001	-	-	-	-
Charged in year	730	10,632	494	11,856
At 31 December 2001	730	10,632	494	11,856
Net book value:				
At 31 December 2001	19,059	90,127	5,672	114,858
At 1 January 2001	-	-	-	-

8. DEBTORS

	<i>2001</i>	<i>2000</i>
	£	£
Trade debtors	29,028	-
Prepayments and accrued income	7,533	100
	36,561	100

9. CREDITORS: amounts falling due within one year

	<i>2001</i>	<i>2000</i>
	£	£
Trade creditors	6,960	-
Amounts owed to immediate parent undertaking	345,873	-
Amounts owed to ultimate parent undertaking	10,470	-
Other creditors and accruals	5,222	-
	368,525	-

Dyno Plumbing Limited

NOTES TO THE ACCOUNTS

at 31 December 2001

10. OTHER FINANCIAL COMMITMENTS

	2001	2000
	£	£
Operating leases which expire: within two to five years	110,153	-

11. SHARE CAPITAL

	2001	2000	Authorised, allotted, called up and fully paid	
	No.	No.	2001	2000
			£	£
Ordinary shares of £1 each	100	100	100	100

12. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2000 and 1 January 2001	100	-	100
Loss for the year		(178,986)	(178,986)
At 31 December 2001	100	(178,986)	(178,886)

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Dyno-Rod PLC, a wholly owned subsidiary of The Zockoll Group Limited which is regarded by the directors as the company's ultimate parent undertaking. The Zockoll Group Limited is the parent undertaking of the only group for which group accounts are drawn up and of which the company is a member. Copies of the group accounts can be obtained from Companies House. The directors regard the Ann Zockoll Settlement Trust as the company's ultimate controlling party.

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from the requirement to disclose transactions with group companies, conferred on 90% or more owned subsidiary undertakings.